

ing paid money or incurred expenses as a result of making such guarantees.

(Pub. L. 91-663, §5, Jan. 8, 1971, 84 Stat. 1976.)

CODIFICATION

In subsec. (a), “chapter 31 of title 31” and “that chapter” substituted for “the Second Liberty Bond Act, as amended” and “that Act, as amended,” respectively, on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

§ 665. Utilization of services and facilities of Federal departments and agencies; reimbursement; consultation with Board; coordination of activities with Federal departments and agencies

(a) In carrying out the provisions of this chapter the Secretary may use available services and facilities of other departments, agencies, and instrumentalities of the Federal Government with their consent and on a reimbursable basis, and shall consult with the Board in carrying out the provisions of this chapter.

(b) Departments, agencies, and instrumentalities of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the provisions of this chapter.

(Pub. L. 91-663, §6, Jan. 8, 1971, 84 Stat. 1977; Pub. L. 104-88, title III, §325(3), Dec. 29, 1995, 109 Stat. 951.)

AMENDMENTS

1995—Subsec. (a). Pub. L. 104-88 substituted “Board” for “Interstate Commerce Commission”.

EFFECTIVE DATE OF 1995 AMENDMENT

Amendment by Pub. L. 104-88 effective Jan. 1, 1996, see section 2 of Pub. L. 104-88, set out as an Effective Date note under section 701 of Title 49, Transportation.

§ 666. Court supervision of expenditures; findings; report to Secretary

In addition to other duties prescribed by section 77 of the Bankruptcy Act, the court shall maintain supervision of the expenditure of funds obtained pursuant to section 662 of this title for the purpose of assuring that such funds are used solely for purposes set forth in subsection (b) of such section, shall make periodic findings regarding such expenditures, and shall report those findings to the Secretary.

(Pub. L. 91-663, §7, Jan. 8, 1971, 84 Stat. 1977.)

REFERENCES IN TEXT

Section 77 of the Bankruptcy Act, referred to in text, was classified to section 205 of former Title 11, Bankruptcy. The Bankruptcy Act (act July 1, 1898, ch. 541, 30 Stat. 544, as amended) was repealed effective Oct. 1, 1979, by Pub. L. 95-598, §§401(a), 402(a), Nov. 6, 1978, 92 Stat. 2682, section 101 of which enacted revised Title 11. For current provisions relating to railroad reorganization, see subchapter IV (§1161 et seq.) of chapter 11 of Title 11.

§ 667. Audit by Comptroller General; report to Congress

The Comptroller General of the United States, or any of his duly authorized representatives, shall have access to such information, books,

records, and documents as he determines necessary effectively to audit financial transactions and operations carried out by the Secretary in the administration of this chapter. The Comptroller General shall make such reports to the Congress on the results of any such audits as are appropriate.

(Pub. L. 91-663, §8, Jan. 8, 1971, 84 Stat. 1977.)

§ 668. Guarantee fees; amount; deposit

The Secretary shall prescribe a guarantee fee in connection with each loan guaranteed under this chapter which shall be collected from the railroad upon repayment of the loan guaranteed. Such fee shall be in an amount that the Secretary estimates to be necessary to cover the administrative costs of carrying out the provisions of this chapter with respect to such loan. Sums realized from such fees shall be deposited in the Treasury as miscellaneous receipts.

(Pub. L. 91-663, §9, Jan. 8, 1971, 84 Stat. 1978.)

§ 669. Repealed. Pub. L. 97-375, title I, §111(e), Dec. 21, 1982, 96 Stat. 1821

Section, Pub. L. 91-663, §10, Jan. 8, 1971, 84 Stat. 1978; Pub. L. 96-470, title I, §112(h), Oct. 19, 1980, 94 Stat. 2240, directed the Secretary to make a report to the President and Congress on financial condition of each railroad except Central Railroad Company of New Jersey and Penn Central Transportation Company, having a loan guaranteed under this chapter ninety days after the making of such guarantee and annually thereafter throughout existence of such loan.

CHAPTER 16—REGIONAL RAIL REORGANIZATION

SUBCHAPTER I—GENERAL PROVISIONS

Sec.

- 701. Congressional declaration of policy.
 - (a) Findings.
 - (b) Purposes.

- 702. Definitions.

SUBCHAPTER II—UNITED STATES RAILWAY ASSOCIATION

- 711. Formation and structure.
 - (a) Establishment.
 - (b) Administration.
 - (c) Status.
 - (d) Board of Directors.
 - (e) Term of office.
 - (f) Quorum.
 - (g) Assumption of Finance Committee functions.
 - (h) Representation at meetings.
 - (i) Miscellaneous.
 - (j) Use of names.
- 712. Functions of Association.
 - (a) General.
 - (b) Investment of funds.
 - (c) Exemption from taxation.
 - (d) Reports.
 - (e) Budget.
 - (f) Accountability.
 - (g) Transfer of litigation.
 - (h) Transfer of other functions.
 - (i) Monitoring of contractors.
- 713. Access to information.
- 714, 715. Omitted or Repealed.
- 716. Final system plan.
 - (a) Goals.
 - (b) Factors.
 - (c) Designations.
 - (d) Transfers.

Sec.		Sec.	
	(e) Corporation features.		(f) Authorization of appropriations.
	(f) Value.	728.	Reports to Congress.
	(g) Other provisions.		(a) Progress and evaluation.
	(h) Obligational authority.		(b) Transfer agreements.
	(i) Terms and conditions for securities.	729.	Advisory Board.
	(j) Additional properties deemed designated.		SUBCHAPTER III—CONSOLIDATED RAIL CORPORATION
717.	Adoption of final system plan.	741.	Formation and structure.
	(a) Preliminary system plan.		(a) Establishment.
	(b) Approval.		(b) Status.
	(c) Adoption.		(c) Incorporators.
	(d) Review of Commission.		(d) Board of Directors.
718.	Review by Congress.		(e) Initial capitalization.
	(a) General.		(f) Officers.
	(b) Revised plan.		(g) Voting trustees.
	(c) Computation.		(h) Annual report.
	(d) Additions.		(i) Liability of directors.
719.	Judicial review.		(j) Signal systems.
	(a) General.		(k) Governing provisions after sale.
	(b) Special court.	742.	Powers and duties of Corporation.
	(c) Delivery of plan to special court.	743.	Valuation and conveyance of rail properties.
	(d) Bankruptcy courts.		(a) Deposit with court.
	(e) Original and exclusive jurisdiction.		(b) Conveyance of rail properties.
	(f) Disposition of cash deposits.		(c) Findings and distribution.
	(g) Stay of court proceedings.		(d) Review.
	(h) Special masters.		(e) Transfer and other taxes and recording fees.
720.	Obligations of Association.	744.	Termination and continuation of rail services.
	(a) General.		(a) Discontinuance.
	(b) Maximum obligational authority.		(b) Abandonment.
	(c) Guarantees.		(c) Continuation of rail services.
	(d) Validity.		(d) Rail freight service.
	(e) The Secretary of the Treasury.		(e) Rail passenger service.
	(f) Authorization for appropriations.		(f) Purchase.
	(g) Lawful investments.		(g) Abandonment by Corporation.
721.	Loans.		(h) Interim abandonment.
	(a) General.		(i) Disposition of designated rail properties.
	(b) Applications.	744a.	End of Conrail commuter service obligation.
	(c) Terms and conditions.	745.	Continuing reorganization; supplemental transactions.
	(d) Modifications.		(a) Proposals.
	(e) Prerequisites.		(b) Evaluation by Association.
	(f) Policy.		(c) Review by Commission.
	(g) Pre-conveyance loans to Corporation.		(d) Special court proceedings.
	(h) Loans for payment of obligations.		(e) "Fair and equitable" defined.
	(i) Electrification.		(f) Expedited proposals.
722.	Records, audit, and examination.		(g) Transfer of properties and freight service obligations of specific lines.
	(a) Records.	746.	Certificates of value.
	(b) Audit and examination.		(a) General.
723.	Emergency assistance pending implementation.		(b) Number and distribution.
	(a) Emergency assistance.		(c) Redemption.
	(b) Authorization of appropriations.		(d) Authorization of appropriations.
724.	Authorization of appropriations.	747.	Protection of Federal funds.
	(a) Secretary.		(a) Audit.
	(b) Office.		(b) Report.
	(c) Association.		(c) Monitoring of Corporation.
725.	Interim agreements.	748.	Abandonments.
	(a) Purposes.		(a) General.
	(b) Conditions.		(b) Applications for abandonment.
	(c) Obligations.		(c) Notice of insufficient revenues.
	(d) Conveyance.		(d) Offers of financial assistance.
726.	Debentures and series A preferred stock.		(e) Liquidation.
	(a) General.		(f) Employee protection.
	(b) Purposes and procedure for investment.		SUBCHAPTER IV—TRANSFER OF FREIGHT SERVICES
	(c) Finding, direction, and review by Congress.	761 to 769c.	Repealed.
	(d) Terms and conditions.		SUBCHAPTER V—EMPLOYEE PROTECTION
	(e) Modifications, waivers, and conversions.	771 to 780.	Repealed.
	(f) Employee stock ownership plan.		SUBCHAPTER VI—MISCELLANEOUS PROVISIONS
	(g) Authorization of appropriations; reappropriation of funds.	791.	Relationship to other laws.
727.	Additional purchases of Series A preferred stock.		(a) Antitrust.
	(a) Federal investment.		(b) Commerce, securities, and bankruptcy.
	(b) Accounts receivable.		
	(c) States and localities.		
	(d) Debentures.		
	(e) Rights retained.		

Sec.

- (c) Environment.
- (d) Northeast Corridor.
- 792, 793. Repealed.
- 794. Tax payments to States.

SUBCHAPTER VII—PROTECTION OF EMPLOYEES

- 797. Repealed.
- 797a. Termination allowance.
 - (a) General.
 - (b) Employment needs.
 - (c) Notification and separation procedure.
 - (d) Designated separations.
 - (e) Effect on positions.
 - (f) Procedures.
 - (g) Commuter employees.
- 797b. Preferential hiring.
 - (a) General.
 - (b) Status.
- 797c. Central register of railroad employment.
 - (a) Register.
 - (b) Corporation employees.
 - (c) Vacancy notices; warning; civil penalty.
 - (d) Placement.
 - (e) Employment applications.
 - (f) Expiration.
 - (g) Resolution of disputes.
- 797d. Election and treatment of benefits.
 - (a) Election.
 - (b) Treatment of benefits.
- 797e. Assignment of work.
 - (a) General.
 - (b) Expiration.
- 797f. Contracting out.
- 797g. New collective-bargaining agreements.
 - (a) Agreement.
 - (b) Procedure.
 - (c) Railway Labor Act notices.
- 797h. Employee and personal injury claims.
 - (a) Liability for employee claims.
 - (b) Assumption of personal injury claims.
- 797i. Limitations on liability.
 - (a) Federal Government.
 - (b) The Corporation.
- 797j. Preemption.
- 797k. Factfinding panel.
 - (a) Purpose.
 - (b) National Mediation Board.
 - (c) Other functions.
- 797l. Class II railroads receiving Federal assistance.
- 797m. Arbitration.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 802, 823, 824, 1101, 1341 of this title; title 49 sections 24506, 24901, 24904, 24907.

SUBCHAPTER I—GENERAL PROVISIONS

§ 701. Congressional declaration of policy

(a) Findings

The Congress finds and declares that—

(1) Essential rail service in the midwest and northeast region of the United States is provided by railroads which are today insolvent and attempting to undergo reorganization under the Bankruptcy Act.

(2) This essential rail service is threatened with cessation or significant curtailment because of the inability of the trustees of such railroads to formulate acceptable plans for reorganization. This rail service is operated over rail properties which were acquired for a public use, but which have been permitted to deterio-

riorate and now require extensive rehabilitation and modernization.

(3) The public convenience and necessity require adequate and efficient rail service in this region and throughout the Nation to meet the needs of commerce, the national defense, the environment, and the service requirements of passengers, United States mail, shippers, States and their political subdivisions, and consumers.

(4) Continuation and improvement of essential rail service in this region is also necessary to preserve and maintain adequate national rail services and an efficient national rail transportation system.

(5) Rail service and rail transportation offer economic and environmental advantages with respect to land use, air pollution, noise levels, energy efficiency and conservation, resource allocation, safety, and cost per ton-mile of movement to such extent that the preservation and maintenance of adequate and efficient rail service is in the national interest.

(6) These needs cannot be met without substantial action by the Federal Government.

(b) Purposes

It is therefore declared to be the purpose of Congress in this chapter to provide for—

(1) the identification of a rail service system in the midwest and northeast region which is adequate to meet the needs and service requirements of this region and of the national rail transportation system;

(2) the reorganization of railroads in this region into an economically viable system capable of providing adequate and efficient rail service to the region;

(3) the establishment of the United States Railway Association, with enumerated powers and responsibilities;

(4) the establishment of the Consolidated Rail Corporation, with enumerated powers and responsibilities;

(5) assistance to States and local and regional transportation authorities for continuation of local rail services threatened with cessation; and

(6) necessary Federal financial assistance at the lowest possible cost to the general taxpayer.

(Pub. L. 93-236, title I, § 101, Jan. 2, 1974, 87 Stat. 986.)

REFERENCES IN TEXT

The Bankruptcy Act, referred to in subsec. (a)(1), is act July 1, 1898, ch. 541, 30 Stat. 544, as amended, which was classified generally to former Title 11, Bankruptcy. The Act was repealed effective Oct. 1, 1979, by Pub. L. 95-598, §§ 401(a), 402(a), Nov. 6, 1978, 92 Stat. 2682, section 101 of which enacted revised Title 11. For current provisions relating to railroad reorganization, see subchapter IV (§ 1161 et seq.) of chapter 11 of Title 11.

SHORT TITLE OF 1978 AMENDMENT

Pub. L. 95-565, § 1, Nov. 1, 1978, 92 Stat. 2397, provided: "That this Act [amending sections 726, 747, and 825 of this title and section 975 of Title 43, Public Lands, and enacting provision set out as a note under section 975 of Title 43] may be cited as the 'United States Railway Association Amendments Act of 1978'."

SHORT TITLE OF 1976 AMENDMENT

Pub. L. 94-555, title II, § 201, Oct. 19, 1976, 90 Stat. 2616, provided that: "This title [amending sections 702, 711,